

Senate Engrossed

FILED
MICHELE REAGAN
SECRETARY OF STATE

State of Arizona
Senate
Fifty-second Legislature
Second Regular Session
2016

CHAPTER 127

SENATE BILL 1529

AN ACT

AMENDING SECTIONS 35-191, 41-1304 AND 41-3504, ARIZONA REVISED STATUTES;
RELATING TO STATE BUDGET PROCEDURES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 35-191, Arizona Revised Statutes, is amended to
3 read:

4 35-191. Administrative adjustment; refunds; presentation and
5 disposition of claims; report; exemption

6 A. A claim against this state arising out of contractual relations
7 ~~which~~ THAT has not been paid because of failure to file within the time
8 prescribed by law, or because of any other technical defect not affecting the
9 validity or the contractual liability of this state, is subject to
10 administrative adjustment as provided in this section. A claim against this
11 state arising from orders for goods or services made in one fiscal year and
12 received in the next fiscal year is subject to administrative adjustment as
13 provided in this section if written documentation is provided by the ordering
14 budget unit and written approval is granted by the director of the department
15 of administration. The budget unit shall keep on file the written
16 documentation and authorization by the director.

17 B. If a claim from the prior fiscal year is presented within one year
18 and if sufficient funds remain in the reverted appropriation to pay the
19 claim, the department of administration, ~~upon~~ ON approval of the claim, shall
20 draw a warrant in payment of the claim and the warrant shall be paid out of
21 the fund to which the unused appropriation reverted.

22 C. If a claim is presented ~~which~~ THAT is more than one fiscal year and
23 less than four fiscal years old and if sufficient funds remain in the
24 reverted appropriation to pay the claim, the department of administration
25 shall present the claim to the legislature requesting an appropriation of
26 monies sufficient for payment of the claim.

27 D. ~~Claims~~ A CLAIM of three hundred dollars or less from a prior fiscal
28 year presented for payment by June 30 of the fourth subsequent fiscal year
29 may be paid out of an available current year appropriation of the ~~requesting~~
30 ~~agency~~ BUDGET UNIT if ~~it~~ THE CLAIM is determined to be in the best interest
31 of this state and is approved by the director of the department of
32 administration.

33 E. A claim for refund on any fee, license, permit or erroneous
34 payment, the revenue having been placed in any separate fund, or the STATE
35 general fund, is subject to this section if no specific provision for refund
36 is prescribed by law. If a claim for refund is approved, payment shall be
37 made out of any unexpended or unappropriated balance in the separate fund or
38 THE STATE general fund.

39 F. If this state's liability cannot be determined until a subsequent
40 fiscal year but is resolved administratively after one fiscal year, the claim
41 shall be paid from the appropriation for the year in which the liability is
42 determined in accordance with the procedures established by the department of
43 administration.

1 G. All claims filed under ~~the provisions of~~ this section shall be
2 presented to the department of administration in the manner prescribed by law
3 and procedures established by the department of administration for
4 presentation and audit of claims.

5 H. ON OR BEFORE NOVEMBER 1 OF EACH YEAR, THE DIRECTOR OF THE
6 DEPARTMENT OF ADMINISTRATION SHALL SUBMIT A REPORT TO THE DIRECTOR OF THE
7 JOINT LEGISLATIVE BUDGET COMMITTEE LISTING THE WRITTEN APPROVALS GRANTED BY
8 THE DIRECTOR OF THE DEPARTMENT OF ADMINISTRATION FOR ADMINISTRATIVE
9 ADJUSTMENT OF ORDERS FOR GOODS OR SERVICES MADE IN ONE FISCAL YEAR AND
10 RECEIVED ON OR AFTER AUGUST 31 OF THE NEXT FISCAL YEAR.

11 ~~H. I. The provisions of~~ This section ~~do~~ DOES not apply to a claim for
12 damages for injury to a person or property ~~and~~ OR TO any claim if the goods
13 or services were received four fiscal years prior to the presentation of the
14 claim.

15 Sec. 2. Section 41-1304, Arizona Revised Statutes, is amended to read:
16 41-1304. Powers and duties

17 A. The legislative council shall:

18 1. Provide bill drafting, research and other services to the
19 legislature deemed necessary or advisable by the council to improve the
20 quality of legislation and to ensure full participation by the legislative
21 branch in determining and reviewing policy and the administration of state
22 affairs.

23 2. Adopt rules and formulate policies for the administration of this
24 article and for the conduct of the affairs of the council.

25 3. Appoint clerical, ~~stenographic,~~ technical and professional
26 assistants deemed necessary or advisable to carry out ~~the provisions of this~~
27 article, fix their compensation and prescribe their powers and duties.

28 ~~4. Consult with state departments or officers engaged in carrying out~~
29 ~~construction programs authorized by law, and investigate the conduct of the~~
30 ~~programs, with particular reference to the plans for and type of~~
31 ~~construction.~~

32 ~~5. 4. Maintain a legislative reference library, containing legal,~~
33 ~~statistical and descriptive data and authoritative philosophical and~~
34 ~~scientific treatises on current and potential legislative subjects.~~

35 ~~6. 5. Procure information at the request of members of the~~
36 ~~legislature or state officers on any legislative subject.~~

37 ~~7. 6. Prepare or revise bills and other legislative measures for~~
38 ~~members or committees of the legislature and, on request of a member of the~~
39 ~~legislature, for state officers and agencies.~~

40 ~~8. 7. Prepare and issue styles and forms for drafting bills,~~
41 ~~amendments and other legislative measures for the use of the legislature,~~
42 ~~state officers and persons interested in drafting amendments and bills or~~
43 ~~measures for introduction in the legislature. The styles and forms for~~

1 drafting amendments shall be developed and adopted in consultation and
2 cooperation with the senate and the house of representatives.

3 ~~9-~~ 8. Prepare and file with the secretary of state, not later than
4 sixty days preceding the regular primary election, an analysis of the
5 provisions of each ballot proposal of a measure or proposed amendment.

6 B. The legislative council may purchase, lease and otherwise acquire
7 land and buildings and make improvements to land and buildings it acquires or
8 uses for the purpose of providing suitable facilities for the use of the
9 legislative department. The council may obtain operational and maintenance
10 assistance for any legislative facilities without charge from the department
11 of administration, may obtain security assistance from the department of
12 public safety, may employ personnel to discharge operational, maintenance and
13 security functions or may contract for outside services payable from council
14 appropriations.

15 C. THE LEGISLATIVE COUNCIL SHALL PAY LEGAL FEES INCURRED JOINTLY BY
16 THE HOUSE OF REPRESENTATIVES AND THE SENATE ON THE AUTHORIZATION OF THE
17 SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE.

18 Sec. 3. Section 41-3504, Arizona Revised Statutes, is amended to read:

19 41-3504. Powers and duties of the department; violation;
20 classification

21 A. The department shall:

22 1. Develop, implement and maintain a coordinated statewide plan for
23 information technology. This includes:

24 (a) Adopting statewide technical, coordination and security standards
25 for information technology.

26 (b) Serving as statewide coordinator for information technology
27 resources.

28 (c) Developing a statewide disaster recovery plan.

29 (d) Developing a list of approved department projects by priority
30 category.

31 (e) Developing a detailed list of information technology assets THAT
32 ARE owned, leased or employed by this state.

33 (f) Evaluating and either approving or disapproving budget unit
34 information technology plans. Budget units shall submit information
35 technology plans that include quality assurance plans and disaster recovery
36 plans to the department each year on or before September 1. The legislative
37 and judicial departments of state government shall submit information
38 technology plans for information purposes.

39 (g) Evaluating specific information technology projects relating to
40 the approved budget unit and statewide information technology plans. The
41 department shall approve or reject projects with total costs of at least
42 twenty-five thousand dollars but not more than one million dollars and may
43 establish conditional approval criteria, including procurement purchase
44 authority. If the total project costs exceed one million dollars, the

- 1 department shall evaluate the project and make recommendations to the
2 INFORMATION TECHNOLOGY AUTHORIZATION committee. If the total project costs
3 exceed five million dollars, the department shall require the budget unit to
4 contract with an independent third party for review of and guidance on the
5 technology approach, scope, estimated cost, timeline for completion and
6 overall feasibility of the project before making recommendations to the
7 INFORMATION TECHNOLOGY AUTHORIZATION committee. ON OR BEFORE THE THIRTIETH
8 DAY FOLLOWING THE LAST DAY OF EACH CALENDAR QUARTER, THE BUDGET UNIT SHALL
9 SUBMIT A REPORT FROM THE INDEPENDENT THIRD PARTY TO THE INFORMATION
10 TECHNOLOGY AUTHORIZATION COMMITTEE AND THE JOINT LEGISLATIVE BUDGET COMMITTEE
11 REGARDING THE PROGRESS OF EACH ONGOING PROJECT. As part of a budget request
12 for an information technology project that has total costs of at least
13 twenty-five thousand dollars, a budget unit shall indicate the status of
14 review by the department. Projects shall not be artificially divided to
15 avoid review by the department.
- 16 2. Require that budget units incorporate a ~~life-cycle~~ LIFE-CYCLE
17 analysis into the information technology planning, budgeting and procurement
18 processes.
- 19 3. Require that budget units demonstrate expertise to carry out
20 information technology plans, either by employing staff or contracting for
21 outside services.
- 22 4. Monitor information technology projects that the department
23 considers to be major or critical, including expenditure and activity reports
24 and periodic review.
- 25 5. Temporarily suspend the expenditure of monies if the department
26 determines that the information technology project is at risk of failing to
27 achieve its intended results or does not comply with the requirements of this
28 section.
- 29 6. Continuously study emergent technology and evaluate its impact on
30 this state's system.
- 31 7. Advise each budget unit as necessary and report to the committee on
32 an annual basis.
- 33 8. Provide to budget units information technology consulting services
34 it deems necessary, either directly or by procuring outside consulting
35 services.
- 36 9. Maintain all otherwise confidential information received from a
37 budget unit pursuant to this section as confidential.
- 38 10. Provide staff support to the committee.
- 39 11. Subject to section 35-149, accept, spend and account for grants,
40 monies and direct payments from public or private sources and other grants of
41 monies or property for the conduct of programs that it deems consistent with
42 the government information technology purposes and objectives of the
43 department.

12. Adopt rules it deems necessary or desirable to further the government information technology objectives and programs of the department.

13. Formulate policies, plans and programs to effectuate the government information technology purposes of the department.

14. Advise and make recommendations to the governor and the legislature on all matters concerning its objectives.

15. Contract and enter into interagency and intergovernmental agreements pursuant to title 11, chapter 7, article 3 with any public or private party.

16. Have an official seal that shall be judicially noticed.

17. On or before December 31, 2015, establish an interactive online directory of codes, rules, ordinances, if available electronically, and statutes to assist individuals and businesses with regulatory requirements and obligations. As provided in this paragraph, counties, municipalities and budget units shall submit information in a manner and format prescribed by the agency.

B. The department shall advise the judicial and legislative branches of state government concerning information technology.

C. The department may examine all books, papers, records and documents in the office of any budget unit and may require any state officer of the budget unit to furnish information or statements necessary to carry out this chapter.

D. The director, any member of the director's staff or any employee who knowingly divulges or makes known in any manner not permitted by law any particulars of any confidential record, document or information is guilty of a class 5 felony.

Sec. 4. State lottery fund: use

Lottery ticket sales commissions in the amount of \$27,227,600 earned beginning January 1, 2015 through June 30, 2015 shall be paid only from the fiscal year 2014-2015 ending balance of the state lottery fund established by section 5-571, Arizona Revised Statutes.

Sec. 5. Unrestricted federal monies: essential government services

Any unrestricted federal monies received by this state beginning July 1, 2016 through June 30, 2017 shall be deposited in the state general fund. The monies shall be used for the payment of essential governmental services.

Sec. 6. Rental rates: state-owned buildings: fiscal year 2016-2017

Notwithstanding section 41-792.01, subsection D, Arizona Revised Statutes, the capital outlay stabilization fund rental rates for state-owned buildings in fiscal year 2016-2017 are \$13.08 per square foot for office space and \$4.74 per square foot for storage space.

1 Sec. 7. Department of administration; sale of certain state
2 property; report

3 If the department of administration disposes of the property located on
4 East Doubletree Ranch Road in Scottsdale, or any right, title or other
5 interest in the property, the department shall report the terms and
6 conditions of the transaction, including the sale price, if any, to the joint
7 legislative budget committee within thirty days after the transaction.

8 Sec. 8. Annual budgets

9 A. Notwithstanding section 35-121, Arizona Revised Statutes, for
10 fiscal year 2018-2019, appropriations for all budget units may be limited to
11 one fiscal year.

12 B. Notwithstanding section 35-111, Arizona Revised Statutes, the
13 governor shall submit a budget only for the next fiscal year not later than
14 five days after the regular session of the legislature convenes in 2017.

15 C. Notwithstanding section 35-113, Arizona Revised Statutes, the head
16 of each budget unit shall submit a budget estimate only for the next fiscal
17 year in calendar year 2016.

18 Sec. 9. Budget stabilization fund; exceptions

19 Notwithstanding section 35-144, Arizona Revised Statutes, for fiscal
20 years 2016-2017, 2017-2018 and 2018-2019, the legislature is not required to
21 appropriate monies to or transfer monies from the budget stabilization fund.

APPROVED BY THE GOVERNOR MAY 10, 2016.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 10, 2016.

Passed the House May 3, 20 16,

by the following vote: 36 Ayes,

24 Nays, 0 Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

Passed the Senate May 3, 20 16,

by the following vote: 18 Ayes,

12 Nays, 0 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

4th day of May, 20 16,

at 2:07 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 10th day of

May, 20 16,

at 8:50 o'clock A. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State
this 10th day of May, 20 16,

at 11:37 o'clock A M.

[Signature]
Secretary of State

S.B. 1529